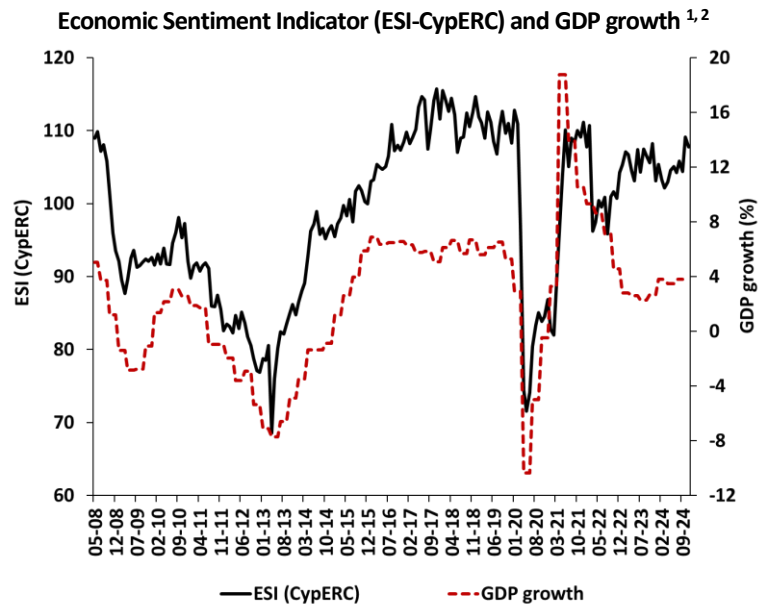


BUSINESS AND CONSUMER SURVEYS

November 2024

Summary

- In November 2024, economic sentiment in Cyprus deteriorated, as the Economic Sentiment Indicator (ESI-CypERC) decreased by 1.3 points compared to October 2024. The decrease in the ESI-CypERC was driven by weaker business confidence in services, retail trade and construction.
- Despite the decline in the Services Confidence Indicator in November, owing to less favourable assessments of firms' recent performance, business confidence in services has remained strong, supported by optimistic views on expected turnover.
- The Retail Trade Confidence Indicator decreased for the second month in a row because of new downward revisions in sale expectations.
- The Construction Confidence Indicator decreased marginally, as firms assessed the current levels of their order books more negatively.
- The small increase in the Industry Confidence Indicator resulted from improved views on the current level of overall order books and the stocks of finished products.
- The Consumer Confidence Indicator increased in November, as all four components of the indicator improved. More specifically, consumers expressed more favourable views on their recent and future financial situation; also, consumers revised their expectations about the economic conditions in Cyprus upwards. Finally, consumers' intentions to make major purchases strengthened in November.
- The Economic Uncertainty Indicator for Cyprus decreased for the third consecutive month in November, registering its lowest value in almost five years. The decline was driven by lower uncertainty about firms' future business situation, especially in services and construction.



Notes: ¹ ESI (CypERC): the weights used in the calculation of the Indicator reflect the contribution of each sector to the GDP of Cyprus.

² GDP growth: GDP (in real terms, adjusted for seasonality and working days) is compared to the same quarter of the previous year (Source: Statistical Service of Cyprus).

The Economics Research Centre of the University of Cyprus (CypERC) and RAI Consultants Ltd participate in the Joint Harmonised European Union Programme of Business and Consumer Surveys. CypERC acknowledges funding from the European Union, the Ministry of Finance and the University of Cyprus for conducting the project "Business and Consumer Surveys" in Cyprus.

Co-funded by
the European Union



Indicators and balances ¹

Month	2023		2024										
	11	12	1	2	3	4	5	6	7	8	9	10	11
ECONOMIC SENTIMENT INDICATOR (ESI CypERC) ²	108.2	103.1	105.4	103.3	102.1	102.9	104.5	105.1	104.3	105.8	104.4	109.1	107.8
ECONOMIC UNCERTAINTY INDICATOR (CypERC) ²	23.7	39.2	35.8	31.5	29.5	30.8	22.3	28.6	26.9	41.9	27.3	14.7	9.1
SERVICES													
Services Confidence Indicator ³	34	12	21	17	14	15	21	23	17	24	17	36	28
Business situation, past 3 months ⁴	46	28	17	23	32	26	36	38	29	33	28	40	23
Turnover (demand), past 3 months ⁴	40	0	19	16	16	12	22	27	12	22	10	33	27
Expected turnover (demand), next 3 months ⁴	15	8	27	12	-6	9	6	3	10	18	14	35	35
Expected employment, next 3 months	13	-19	1	10	23	9	6	7	18	14	15	4	4
Expected selling prices, next 3 months	36	34	25	34	39	31	27	37	30	27	29	14	4
Uncertainty: difficulty predicting business situation ^{5, 6}	17	46	38	32	26	30	20	28	26	49	29	5	-4
RETAIL TRADE													
Retail Trade Confidence Indicator ³	0	0	1	-2	-6	-4	-6	-6	1	-2	3	2	0
Business activity (sales), past 3 months ⁴	-3	-2	-3	-4	-5	-6	-10	-13	-8	-13	-4	-5	-4
Stock of goods ⁴	-2	-3	2	1	0	-3	-4	-4	-8	-6	-7	-10	-10
Expected business activity (sales), next 3 months ⁴	1	0	7	-2	-12	-9	-11	-9	3	1	7	2	-5
Orders placed with suppliers, next 3 months	-3	-4	3	-8	-14	-16	-16	-15	1	-2	7	1	-10
Expected employment, next 3 months	1	1	2	1	2	1	3	1	2	1	3	2	2
Expected selling prices, next 3 months	41	42	37	41	47	50	48	42	46	40	36	46	45
Uncertainty: difficulty predicting business situation ^{5, 6}	65	63	67	67	70	75	67	65	62	65	56	59	59
CONSTRUCTION													
Construction Confidence Indicator ³	1	-3	-7	-2	-4	1	-5	-8	0	3	-1	2	1
Building activity, past 3 months	3	8	0	7	10	8	6	8	15	5	5	9	0
Current overall order books ⁴	-10	-13	-18	-12	-13	-5	-13	-16	-10	-7	-10	-7	-10
Expected employment, next 3 months ⁴	12	7	4	8	5	8	4	0	10	12	8	10	12
Expected selling prices, next 3 months	69	63	59	57	66	64	66	59	57	55	56	41	17
Uncertainty: difficulty predicting business situation ^{5, 6}	48	37	44	34	42	27	31	25	34	38	35	29	17
INDUSTRY													
Industrial Confidence Indicator ³	-3	1	0	-1	-6	0	0	-1	-2	0	3	-3	-1
Production, past 3 months	-2	-3	-2	2	9	2	-2	-3	-3	-6	-3	-1	-7
Current overall order books ⁴	-30	-27	-26	-27	-22	-18	-20	-22	-25	-28	-20	-26	-24
Current export order books	-49	-55	-43	-35	-45	-36	-28	-39	-50	-57	-64	-81	-32
Stock of finished products ⁴	-16	-20	-17	-22	-9	-17	-15	-14	-22	-25	-23	-17	-23
Expected production, next 3 months ⁴	5	9	10	2	-4	1	6	5	-3	3	6	1	-3
Expected employment, next 3 months	0	0	0	1	0	1	0	1	1	1	0	0	0
Expected selling prices, next 3 months	16	7	6	14	22	21	20	16	6	15	16	20	25
Uncertainty: difficulty predicting business situation ^{5, 6}	66	68	61	70	70	69	67	69	68	69	66	60	69
CONSUMERS													
Consumer Confidence Indicator ³	-27	-22	-22	-27	-24	-27	-26	-21	-22	-27	-26	-27	-22
Financial situation of household, past 12 months ⁴	-20	-14	-16	-22	-19	-19	-18	-17	-16	-19	-17	-20	-17
Expected financial situation of household, next 12 months ⁴	-13	-9	-9	-14	-11	-17	-14	-11	-14	-17	-13	-17	-15
General economic situation in Cyprus, past 12 months	-49	-40	-40	-47	-41	-47	-42	-47	-44	-45	-53	-51	-49
Expected general economic situation in Cyprus, next 12 months ⁴	-40	-30	-33	-40	-33	-39	-36	-33	-34	-41	-40	-45	-35
Consumer prices, past 12 months	75	76	73	71	72	74	76	74	74	77	77	79	77
Expected consumer prices, next 12 months	21	18	31	29	22	35	31	26	24	41	27	39	29
Expected unemployment in Cyprus, next 12 months	17	18	17	17	14	13	14	13	15	19	18	17	14
Major purchases at present	-44	-39	-37	-36	-38	-41	-37	-43	-35	-40	-40	-40	-42
Major purchases intentions, next 12 months ⁴	-33	-34	-31	-31	-33	-32	-34	-22	-24	-32	-33	-25	-20
Savings intentions, next 12 months	-34	-31	-25	-39	-38	-34	-40	-38	-33	-31	-30	-31	-23
Statement on the current financial condition of household	15	17	15	9	15	13	14	12	16	16	13	15	-36
Uncertainty: difficulty predicting household's financial situation ^{5, 6}	6	2	8	2	8	3	-4	4	-1	5	-4	4	13

Notes: ¹ The balance is the difference between the percentage of positive responses and the percentage of negative responses. Positive responses refer to "increase", "improvement", "above normal", "very likely", "fairly likely", etc., while negative responses refer to "decrease", "deterioration", "below normal", "not at all likely", "not likely", etc. Data are seasonally adjusted. ² The calculation of the Indicator is described in [Methodological User Guide](#); however, the weights used in the calculation reflect the contribution of each sector to the GDP of Cyprus. ³ The Confidence Indicator is described in [Methodological User Guide](#). ⁴ The responses to this question are used in the calculation of the Confidence Indicator for each survey. ⁵ The responses to this question are not adjusted for seasonality. ⁶ The balance is the difference between the percentage of respondents who state that the future business situation (or household financial situation) is difficult to predict, and the percentage of respondents who state the opposite.

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This bulletin publishes results from Business and Consumer Surveys conducted in Cyprus as part of the Joint Harmonised European Union Programme of Business and Consumer Surveys. This bulletin reflects only the authors' views* and the European Commission is not responsible for any use that may be made of the information it contains.

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